

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 ARAE-00 CPR-01 PM-04 NSC-05 USIA-06
OPR-02 PA-01 PRS-01 SS-15 SY-05 A-01 EB-07 OES-07
FEAE-00 INT-05 ERDA-05 L-03 CIAE-00 INR-07
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P 081814Z JUN 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC PRIORITY 7934

C O N F I D E N T I A L CARACAS 5715

E.O. 11652: GDS
TAGS: ENRG, VE, US, OVIP (PEREZ, CARLOS ANDRES)
SUBJECT: PEREZ STATE VISIT: ENERGY ISSUES

1. SOURCE WITHIN THE MINISTRY OF ENERGY AND MINES
HAS PROVIDED US WITH AN "IN-HOUSE" LIST OF TOPICS ON
WHICH MINISTER HERNANDEZ AND PRESIDENT PEREZ WILL BE
PREPARED TO DISCUSS DURING FORTHCOMING STATE VISIT.
THESE INCLUDE:

A. VENEZUELAN OIL PRODUCTION AND EXPORT LEVELS.
THIS WOULD BE ESEENTIALLY PROVIDING OUR SIDE WITH
INFORMATION AND HOW GOV SEES FUTURE.

B. RESIDUAL FUEL OIL EXPORTS TO THE US.
THIS IS CONSIDERED AS A SEPARATE TOPIC BECAUSE OF THE
IMPORTANCE OF VENEZUELAN FUEL OIL TO THE US EAST
COAST AND THE IMPORTANCE OF THE EAST COAST MARKET TO
VENEZUELA. THE INTENT WOULD BE TO DISCUSS POSSIBLE
CHANGES IN FUTURE TRADE PATTERNS DUE TO NON-MARKET
FORCES.

C. PRICE - THIS PRESUMABLY WOULD RELATE TO
A GENERAL DISCUSSION OF PRICES AND/OR PETROLEUM
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PRODUCT PRICES; THERE IS NO INDICATION OF ANY WEAKENING
IN GOV'S COMMITMENT TO OPEC PRICE POLICY ON CRUDE OIL,
BUT IT WOULD AFFORD THE OPPORTUNITY FOR EACH SIDE
TO EXPLAIN HOW IT SEES THINGS AND ENLARGE THE AREA OF
FACTUAL INFORMATION AVAILABLE TO BOTH.

D. DEVELOPMENT OF ORINOCO HEAVY OIL BELT - MOST

GOV OFFICIALS ADMIT THAT THE US, PARTICULARLY THE PRIVATE SECTOR, HOLDS THE KEY TECHNOLOGY FOR SUCH DEVELOPMENT ALTHOUGH POSSIBILITY OF NON-US COOPERATION, I.E. FROM CANADA, RECEIVES GREATEST PUBLICITY.

E. US ENERGY POLICY, INCLUDING STRATEGIC RESERVES - THIS WOULD BE IN THE NATURE OF REQUESTING INFORMATION FROM US.

F. POSSIBLE BILATERAL CONSULTATIONS ON ENERGY ISSUES - THERE IS AN INTEREST ON THE PART OF THE GOV IN REGULAR, ALTHOUGH NOT NECESSARILY RIGIDLY SCHEDULED, CONSULTATIONS AT VARIOUS LEVELS. THEY WOULD LIKE TO EXPLORE THE QUESTION OF WHAT KIND IF CONSULTATIONS. THEIR LATEST SUGGESTION IS THAT PERHAPS THE PRINCIPALS MIGHT AGREE TO A FOLLOW-ON MEETING OF EXPERTS FROM BOTH SIDES TO DETERMINE WHETHER ON-GOING CONSULTATIONS ARE NECESSARY AND IF SO WHAT KIND. THEY WILL UNDOUBTEDLY BRING UP THE KENNEDY-BETANCOURT AGREEMENT OF 1963 FOR SIMILAR CONSULTATIONS AS A PRECEDENT AND FORE-RUNNER.

2. WHILE THE ABOVE IS APPARENTLY ONLY A PRELIMINARY AND IN-HOUSE LIST, AND IT IS NOT CLEAR WHETHER THE PRINCIPALS WILL IN FACT INITIATE DISCUSSIONS ON ALL OF THESE TOPICS, IT MAY PROVIDE INTERESTED AGENCIES WITH A GENERAL IDEA OF GOV THINKING IN THIS AREA.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Control Number: n/a
Copy: SINGLE
Sent Date: 08-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770204-0738
Format: TEL
From: CARACAS
Handling Restrictions: n/a
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Review Exemptions: n/a
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TAGS: ENRG, OVIP, VE, US, (PEREZ, CARLOS ANDRES)
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Type: TE
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